

STATEMENT OF BASIS (AI No. 118369)

This Statement of Basis is for the Notice of Intent to Terminate Louisiana Pollutant Discharge Elimination System (LPDES) permit No. LA0119849.

THE APPLICANT IS: Cimarex Energy Company
SL 17826 No. 1 Well
5215 North O'Connor Blvd., Suite 1500
Irving, TX 75039

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
P.O. Box 4313
Baton Rouge, LA 70821-4313

PREPARED BY: Gene Jarreau
Water Permits Division
Phone No.: (225) 219-3080
E-mail Address: Gene.Jarreau@la.gov

DATE PREPARED: July 30, 2007

1. PERMIT STATUS

- A. Reason For Permit Action:
Notice of Intent to Terminate a Louisiana Pollutant Discharge Elimination System (LPDES) permit, issued for a 5-year term.
- B. LPDES permit: LPDES permit effective date: December 1, 2004
LPDES permit expiration date: November 30, 2009
- C. Date request to terminate permit received: June 6, 2007

2. FACILITY INFORMATION

- A. FACILITY TYPE/ACTIVITY - Oil and gas exploration, development, and production operations. Cimarex Energy Company - SL 17826 No. 1 Well is an oil and gas exploration, development, and production facility.
- B. FEE RATE
1. Fee Rating Facility Type: Minor
2. SIC code: 1311
- C. LOCATION - East Buck Point Field, approximately 3.1 miles southwest from Intracoastal City, Vermilion Parish. Latitude: 29° 44' 23" - Longitude: 92° 10' 0"

3. REASON FOR TERMINATION

This facility was sold to Browning Oil Company, Inc. on July 8, 2004, and LDEQ was notified on September 9, 2005. Applicant correspondence dated May 5, 2007 also indicated that all of their invoices owed have been paid in full. The new/current owner/operator has been contacted, but has not provided the necessary additional information to transfer the permit.